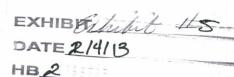


MONTANA SECRETARY OF STATE



LINDA McCULLOCH

Anticipated & Unexpected Fiscal Obligations for the Office of the Secretary of State

Potential SOS Fiscal Obligation FY14-FY15	Estimated Cost
Remaining contracted costs for the replacement of the office's legacy business filing	\$2,718,385
system. This replacement is titled the Secretary of State Information Management	5.
System (SIMS).	
SOS is currently in the first phase of an approved and signed contract to	8 -
update this antiquated and paper-based filing system. Three phases remain.	
This project was developed and agreed to by the previous administration	
 Upon taking office, Secretary McCulloch was able to downsize the contract by \$1,100,000. 	
SOS costs associated with the development and implementation of SIMS, which are	\$477,000
not included in the signed contract.	
 This includes costs for SOS staffing and system hosting with the vendor. 	
Estimated cost of digitizing original paper-based business filing documents dating back	\$1,000,000
to statehood.	
SIMS will require that all business filings with SOS be available in a digital	a 8 8
form.	\$61,500
Northrop-Grumman's (NG) annual cost for maintaining the current business filing system until SIMS is fully operational.	Annual cost
NG is the only contractor in Helena willing to maintain the legacy business	Aimaarcost
filing system on the state mainframe. They currently charge \$123/hr for	
service. This charge includes not only actual work done to the system, but also	
includes costs for creating estimates required in legislative fiscal notes.	
IT vendor billing associated with implementing SOS affected legislation under	\$344,088
consideration in the 2013 legislative session.	As of 1/31/13
 As of January 31, in the 2013 session, four introduced bills could have a total 	
fiscal impact to SOS of \$344,088. If any of these bills pass, SOS may have to	n a
pay the cost of implementation without assistance from the general fund.	8
O SB 22 = \$88,745	
O HB 297 = \$17,343	
HB 212 = \$70,000SB 206 = \$168,000	
SB 206 = \$168,000 Biennial system support, maintenance and SOS staff costs for the statewide voter	\$1,384,466
registration and elections management system (MT Votes), as mandated by the	7 - 700 17 100
federal Help America Vote Act (HAVA) of 2002. Montana's share of federal HAVA	
funds for MT Votes is expected to be depleted by the end of FY13. No additional	
federal funds are anticipated to be allocated by Congress.	



\$112,000
\$160,000
\$360,000
\$50,000
\$71,472
\$50,000
\$30,000
Unknown
Unknown
\$213,538
\$176,880
•

Total	Minimum	\$7,209,329